# Marketing on the www How to Reach Out for New Business



March 2005



### Today's Game Plan

- Online Branding Challenges
- How You Can Use the Web to Learn About Customers
- Online Branding: Identity and Messaging
- Successful Online Marketing Approaches: Research and Tips
  - Site design
  - SEO, Online Advertising and Paid listings
  - Email Marketing
  - Online Promotions
- Measuring ROI

- "Affordable Results"
- 20 years of marketing experience across multiple categories
  - McKinsey & Co, Walt Disney, Levi Strauss & Co, Women.com
- Experienced network of talent
- Solid track record and references
  - "Creative and analytical, results oriented, listens well, flexible and adaptable, tenacious"





# Why are you here?

"How should I be allocating my marketing spend between online vs offline vehicles?"

"How can I better manage my campaigns?"

"How much should I be spending on search vs other forms of online advertising?"

"How do I know I have been successful?"

US Internet Users and Consumers Who Say Online Marketing Has Influenced Their Brand Opinions, 2003 (as a % of respondents)

Online adults 45%

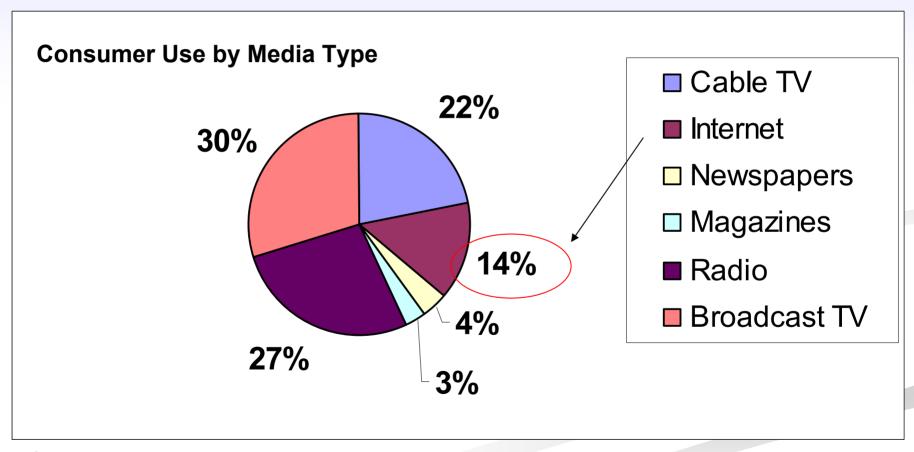
#### All consumers

25%



Note: Respondents said their opinion had changed for one or more of the ten common product categories covered by the survey Source: The Dieringer Research Group, September 2003

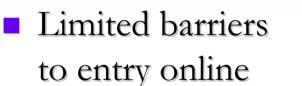
#### Internet: 4<sup>th</sup> Most Used Media

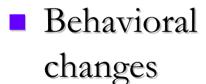




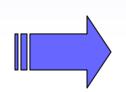
#### Www Impact on Consumers

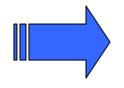
"45% of online consumers report that online information changed their brand perceptions"

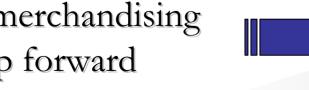




A merchandising leap forward







Most impacted category....TRAVEL

> - Comparisons are easier...and harder

- Information processing
- "One click away" risk
- Clickpaths
- Price sensitivity and value shopping

Depth, multi-faceted involvement, interactivity

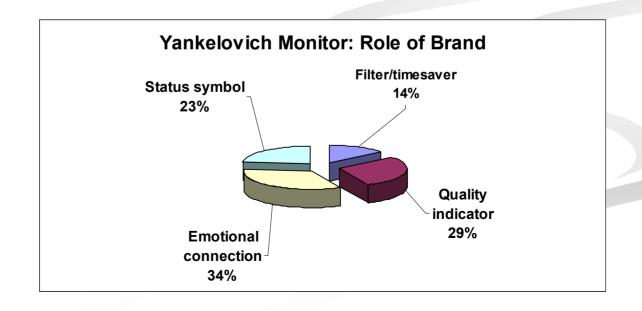
#### The Interactive Brand

#### Traditional Brands

- Communicated TO the customer
- Informative
- Carefully crafted and supported

#### Interactive Brands

- Participatory
- Emotive
- Evolved



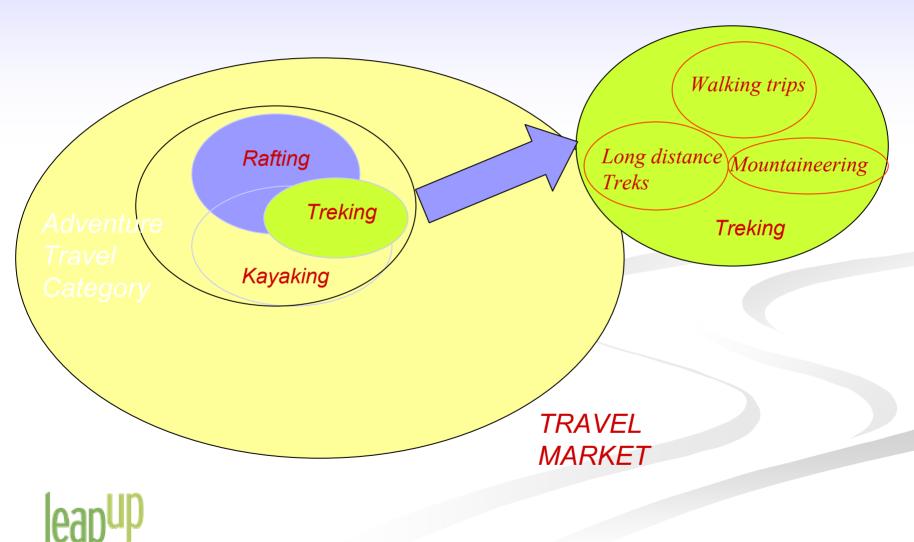


# 6 Online Branding Challenges

- Sizing target markets
- Identifying actionable consumer segments
- Establishing a differentiated position
- Reaching your consumer segments
- Consistency across touchpoints
- Moving clients from "sticky" to "loyal"



# Sizing the Market



### Identifying Consumer Segments

- Relevant benefits
- Attitudes and motivational drivers
- Information sources/ buying behavior
- Profitability

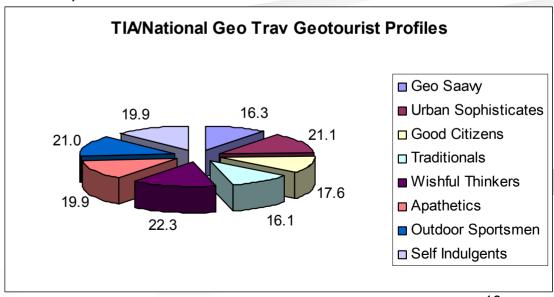
#### **Broad Target Market**



#### **Actionable Segments**

**Baby Boomers** 

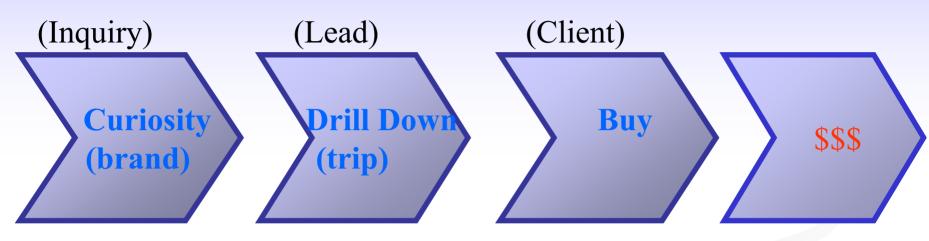




# Customer Tracking

- RFM: quantitatively identify your <u>best</u> customers
  - how recently a customer has purchased (Recency)
  - how often he purchases (Frequency)
  - how much he spends (Monetary).
- Asking for information
- Clickstream log analysis software
- Database architecture
- Information vs data

#### Using Consumer Touchpoints



- www Search
- Email
- "Trusted sites"
- Referral Agents
- Directories
- Online sponsorships
- Online promotions

- Site design
  - Sitemap/usability
  - Messaging
  - Merchandising
  - Calls to action
  - Search function
  - Links
- Email collateral

- Registration process
- Database structure
- Landing pages
- Reactivation plan
- Feedback loops



# Targeting Strategies

#### Offline

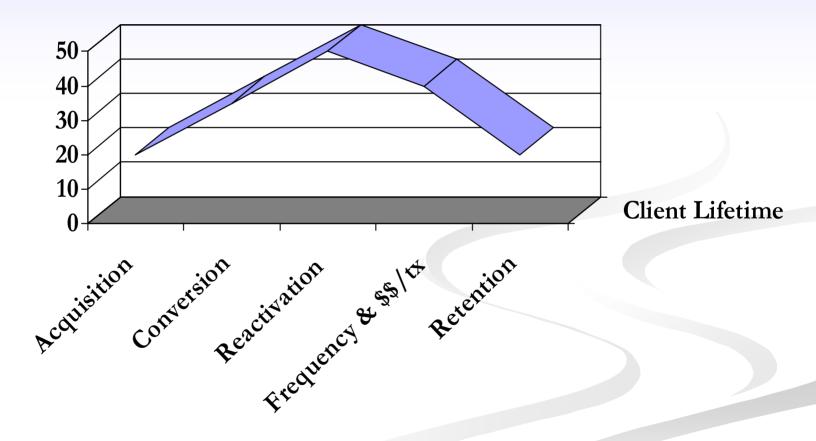
- Sponsorships of trusted brands, events
- Affinity/referral relationship building
- Comarketing with relevant partners

#### Online

- SEO: Search engine optimization
- Niche directories and communities
- Email marketing to targeted lists
- Community content and interactivity



### Driving Customer Value





# Consistency: Developing a System

- Corporate Identity (logo, tag, claims)
- Brand Positioning (value differentiation)
- Messaging strategy
  - Content
  - Platform
  - Frequency
- Brand look and feel
- Personality
  - Values/Perspective/Energy/Attitude

### Case Example: Corporate Identity

#### **Before:**









#### After:

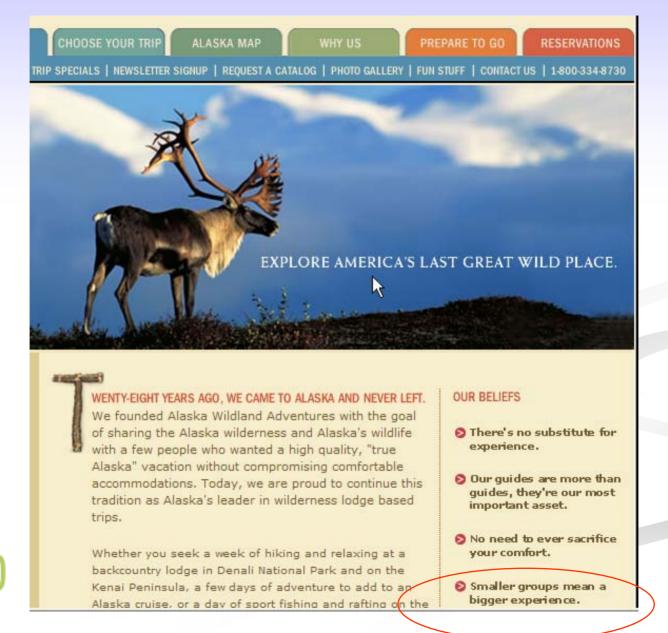




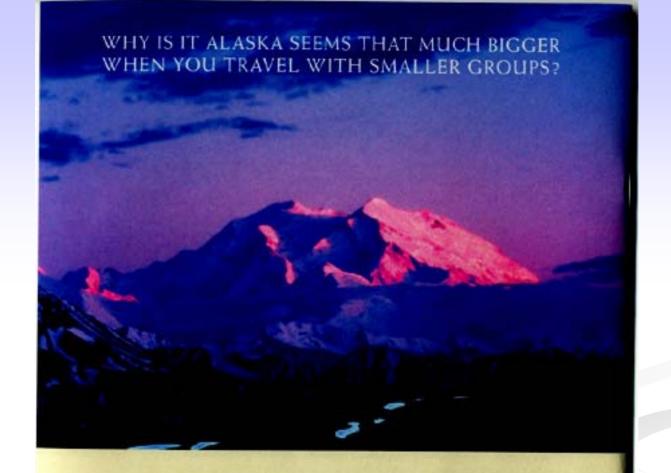


"Leading through experience, from protected lands through wildlife adventures, your inspirational guide to wild Alaska"

#### Messaging for Consistency



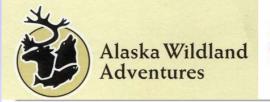




AWA BELIEF #4: SMALLER GROUPS MEAN A BIGGER EXPERIENCE. At Alaska Wildland Adventures, we pride ourselves in maintaining the "smaller is better" philosophy in sharing with you the wonders of Alaska's Kenai Peninsula, Denali National Park, and the expanses in between. If you are seeking rich experiences in this expansive place we call Alaska, think small. Small groups, small boats, small lodges. Your rewards for taking the path less traveled? More wildlife. More hospitality. More insight. More authenticity. More friends. More memories. And many, many more smiles.



BOOK EARLY! RESERVE YOUR SPOT BY CALLING US TOLL-FREE AT 1-800-334-8730



#### August is a great month to visit Alaska!

#### June and July's record warm temperatures means August's berries will be amazing!

It's not too late to visit Alaska this summer with Alaska Wildland Adventures!

For over 25 years, Alaska Wildland Adventures has been guiding wilderness trips for wildlife enthusiasts in the Kenai Wildlife Refuge, Chugach National

Forest and Denali National Park.

AWA continues to offer the most adventure trip departures in Southcentral Alaska from independent and custom itineraries to all-inclusive and guided trips. Come find out why traveling with smaller groups means a bigger experience for you and your family.

Late August and September are the photographer's favorite time to be here because of the striking autumn colors, the wildlife have grown their winter "coats," and there's always the chance of seeing the Northern Lights.

Now is a great time to visit Alaska - America's last great place.







#### Speak to the Audience



AdventureWomen, Inc. has been a pioneer in women's vacations

and adventure travel since 1982. The oldest adventure travel

2005 Vacations For Women

Domestic

Zυ

Mexico's Colonial Cities-

A Winter Mini-Break

#### Speak to the Audience

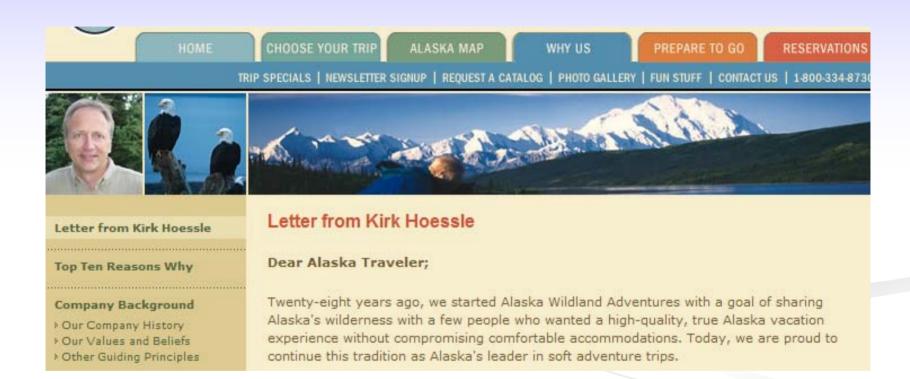




#### COLORADO WHITE WATER RAFTING AND BACKCOUNTRY ADVENTURES

Since 1983, Noah's Ark Whitewater Rafting Co has been offering our guests top quality Arkansas River rafting, canoeing on the Gunnison River and hiking and camping vacations in the Rocky Mountains. Now the largest white water rafting & backcountry adventure company in Colorado, our goal has always been to provide guests with unforgettable Colorado outdoor adventures. We are truly rewarded as so many families, youth groups and mission trips continue to come back to adventure with us, year after year.

#### Tone and Voice







#### Commitment to Ecotourism

- Our Environmental Commitment.
- Our Financial Contribution.
- Company Awards and Honors

### Invite Participation



HOME

CHOOSE YOUR TRIP

ALASKA MAP

WHY US

PREPARE TO GO

RESERVATIONS

TRIP SPECIALS | NEWSLETTER SIGNUP | REQUEST A CATALOG | PHOTO GALLERY | FUN STUFF | CONTACT US | 1-800-334-8730







Common Questions

Helpful Links

What to Pack

Recommended Reading

Call Us With Questions

**Answers For Parents** 

PLAY OUR ALASKA

TRIVIA GAME

SPECIAL OFFERS FROM US TO YOU

▶ GO

What Inquiring Parents Usually Want to Know About Our Family Trips

#### Family Time:

Each day will have downtime to allow you to spend time together as a family group. Our Family Trips are designed for parents and guardians who want to spend virtually every moment of their vacation with their children, to learn and play together, and together experience the wonders of the last frontier.

#### • Safety:

Without a doubt, the safety of all our trip participants is top priority. Your Trip Leader will be giving your group a Safety Briefing during Orientation on your first night at the Kenai Riverside Lodge. While we cannot predict everything, we will do our best to present the group with safe, supervised and enjoyable activities for the whole family.

#### • Hiking:

Our hikes are "casual" in terms of elevation gain and difficulty. We take a stop-and-smell-the-roses approach to family hikes, where the Trip Leaders create activities for the children to keep them learning and interested, while also presenting information that is interesting for adults, too.

#### . Scenic River Float:

The Kenai River is a Class II river experience, on a scale of I to V. This scenic river float trip is two hours in duration, and travels through the very upper stretch of the Kenai River watershed.

# Successful Online Marketing Approaches

- > Site Design
- > Search Optimization
- Online Advertising
- > Email Marketing do's and don'ts
- ➤ Online Promotions: why and how



# Site Design Tips

- Usability is #1
- Communication is #2
  - Keep it simple: navigation, visuals, body content
  - Answer top 3 questions upfront (what product, why purchase (benefits), how to order)
  - Godin: "Expected, Valuable, Relevant"
- Tell a story: use merchandising potential
  - Headlines
  - Imagery
  - Depth

#### Case Study: Design for Usability



- Navigation
- •8+ colors; colorblocking; flash; no visuals
- Layout issues
- Too many messages
- No compelling calls to action



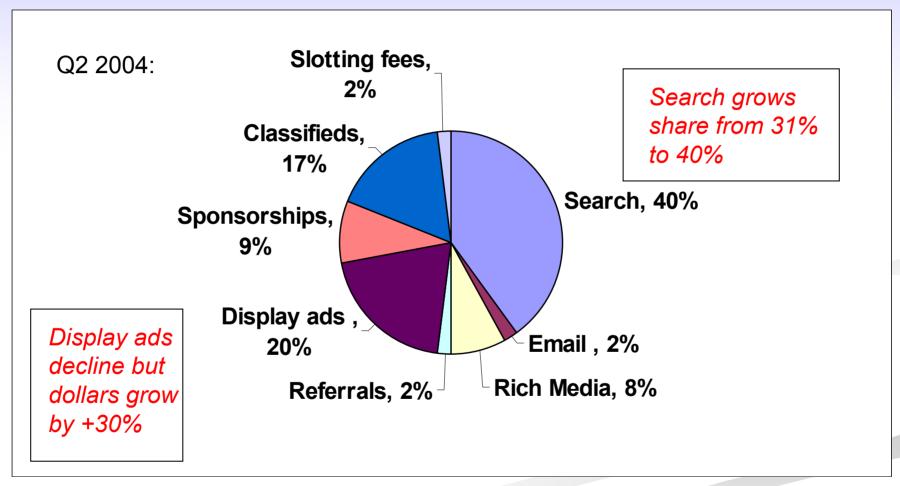
#### Case Study: Design for Usability



- Color palette:
  - Complementary
  - Blocking/use of space
- Layout
  - Easy navigation
  - Magazine/News
  - Messaging
    - Clear, fewer
  - Calls to action: clear



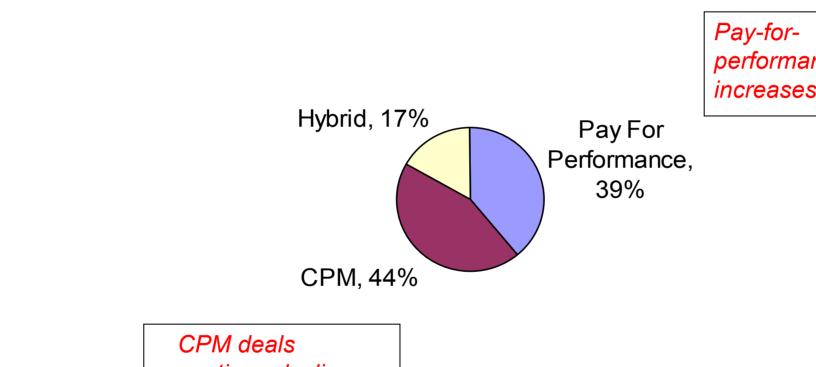
# Online Advertising Market





IAB/Price WaterHouseCoopers, September 2004

#### Online Ad Pricing Models



performance increases

continue decline



IAB/Price WaterHouseCoopers, September 2004

#### The Scoop on Search

- Biggest opportunity for "share of voice" and "share of mind"
  - Most targeted and cost efficient
  - Easiest to test and measure

Traffic to the 13 top comparison-shopping sites rose 22 percent for the week ending Nov. 20 versus last year with 50 percent of the sites' traffic originating from search engines. (Hitwise, November 24, 2004)

- Source of 9.3% of online retail sales (Doubleclick, E-Commerce Report, Q3 2004)
- Spending will double to \$5.5 billion by 2009
- Growth rate is slowing:
  - **•** +63% (2003), +30% (2004)...+11% (2009)
- Average click price expected to rise +62% from \$0.29 to \$0.47 by 2009 (Jupiter Research)

### Search Engines: Market Share

Search Engine Global Usage Share					
Property	May 2004	Nov. 2003	May 2003	Jan. 2003	
Google	56.4%	56.1%	55.2%	54.7%	
Yahoo!	21.1%	21.5%	21.7%	22.1%	
MSN Search	9.2%	9.4%	9.6%	9.5%	
AOL Search	3.8%	3.7%	3.8%	3.7%	
Terra Lycos	2.0%	2.3%	2.6%	2.8%	
Altavista	1.7%	1.9%	2.2%	2.5%	
Ask Jeeves	1.7%	1.6%	1.5%	1.5%	
Source: OneStat					

#### Tier 2 Engines:

FindWhat.com, Enhance.com, Kanoodle.com, Mamma.com, EPilot.com

# Paid vs Organic

- 60.5% of users click on organic vs 39.5% on paid (iProspect, 2004)
- 36% of users are unaware of paid listings (Nielsen, 2003 survey)

• 65% of men prefer organic to paid and 57% of women

#### **Most Relevant Search Result**

(Determined by % of Search Engine Users)

Property	Organic	Paid	
Google	72.3%	27.7%	
Yahoo!	60.8%	39.2%	
MSN	28.8%	71.2%	
AOL	50%	50%	

Source: iProspect, Survey Sampling International, WebSurveyor, and Stratagem Research

- 65% of Collegegraduates
- 65% of fulltime workers
- 65% of frequent (4+) internet users

(iProspect, 2004)

# Paid vs Free (Organic) listings

- Free advantages
  - Cost
  - Volume
  - Credibility

- Paid advantages
  - Good for:
    - New sites
    - Tight timing situations
  - Immediate results
  - Can change them on a dime
  - Targeted
  - Pay for Performance
  - Fully Trackable



# First page vs third page listings

**42%** 

- Abandonment rates after the first page
  - 23% leave after first few entries
  - +19% after the first page
  - +26% after page 2
  - +15% after page 3



- 50% (60+ years old)
- 44% (ages 45-59)
- 38% (ages 30-44)
- 44% (women)
- 38% (men)

iProspect, 2004



### Keywords: One word or many?

- The majority of searches are for 3+ keyword phrases (OneStat, July 2004)
  - 30% use 2 word phrases
  - 27% use 3 word phrases
  - 17% use 1 word phrase
  - 15% use 4 word phrases
  - 11% use 5+ word phrases
- 3+ keywords convert better



### Keyword Strategy

- Set keyword targets according to where consumer is in buying cycle
- Identify your organic keyword search targets
  - Volume (#) depends on your strategy
  - Pay more attention to what keywords convert vs what your competitors are buying (www.EpicSky.com)
- Lower volume search terms show better conversion traction as SE rank declines



# Organic Search Optimization Tips

- Ongoing page optimization (keywords, tags, links)
- Use links marketing strategically
  - Links popularity, page rank and reputation
- Optional: Mini-sites and multiple url's
- Newsgroups, press releases, special interest directories
- Management tips:
  - Hire a specialist
  - Give consultants a roadmap
  - Off-the-shelf products that work



# Paid Listings - Tips

- Identify your objective
  - Traffic vs conversion vs revenue vs profitability
  - SERP: "Being first" is not your objective!
- Set a budget (max CPC for a given ROI) and monitor
  - Invest in a bid-management tool (Bid Rank, Atlas One Point, Send Traffic, Did It, Overture Marketing Console)
- Test, test, test (messaging, placements, creative)
  - 90 day tests with multiple ads and landing pages; A/B testing
- Tracking
  - Use tracking codes on your links in Overture and Google to make them stand out in your referring url report
  - Utilize affiliate software to track conversions and sales volumes (replace text link with affiliate code; set up "Overture" or "Google" as your affiliate)
  - se separate 800# to test offline impact (phone inquiries)

## Search: New Directions

- MSN launched new engine in January
  - "Search Builder", User relevancy (timeliness of content, popularity), Local (country specific queries) "Near me"
- Search is going vertical!
  - Automated Travel Comparison engines (aggregators):
    - SideStep, Kayak, Mobissimo and Yahoo's FareChase, TravelGroove.com, NexTag.com
  - Custom Travel Comparison engines:
    - Smarter Living's BookingBuddy, Travelzoo.com's SuperSearch, TripAdvisor's QuickCheck, OneTime .com
- Top six travel search engines held a combined 0.42% share of all traffic to online travel sites (Hitwise)

# Display Advertising Trends

- Square popups still have highest clickthrough rates
- CTR's are stable but view-throughs may be more important
- Emerging trends
  - Contextual advertising
  - Pop-unders (competitor searches)
  - Rich media (flash, shockwave, video)
    - 37% of ads served
    - 15% growth (Q2 to Q3 '03)
    - 5x click through rate vs non-rich media

(Doubleclick Q3, 2003)

# Online Ad Creative Tips

- Likability vs rationality (messaging)
- Call to action vs image advertising
- Headlines that work
  - Secret
  - Scandal
  - Insider information
  - Tips or Tricks
  - How to win







Has your life been touched by Breast Cancer?

Honor someone you love.





# Media Targeting vs Creative

- 10 week study by Atlas Institute revealed
  - Conversion rates vary 6x more for media placements than for ad creative
- Media placements need to take into account both:
  - Total ad impressions
  - AND the percent of site users reached by ad (saturation level)
    - Ad inventory placement locations across site
    - Surfing behavior of users
  - Goal: target optimal frequency level for ad based on site characteristics and the frequency which maximizes profitability



# Media Planning Trends

- Conventional online ads are increasingly targeted
  - 62% of the time (content targeting by keyword and keyword indexed pages)
  - Geotargeting is used 4% of the time
  - Dayparting is used only 1% of the time
    - Peak usage: weekends for consumers
- Emerging: Behavioral targeting
  - heavy vs light users
  - loyalists
  - repeat customers



# Media Planning Tips

- Diversify your spend:
  - Destination sites
  - Convention and Visitors Bureau
  - Mass merchant (travel e-commerce, agents)
  - Directories (sport/activity, categories, consumer segment)
  - Affiliates and referral networks
  - Lifestyle sites (publishing, portals)
- Niche sites take longer to accumulate reach...must do longer buy vs portal/directory sites



# Email Market Update

- Permission-based email metrics show improvement despite concerns about spam
  - Open rates increased Q2 vs Q1 '03 (37.6% to 38.8%)
  - CTR's increased from 7.5% to 8.3% (Doubleclick, 2003)
- 43% are receiving travel related emails but 58% are interested in receiving (Doubleclick Email Markting Insights 2002)
- Benchmark response rates for travel category Q3 2003:
  - Opens: 44.5%
  - Bounce-backs: 10.4%
  - Click-throughs: 9.3%



# Email Market Update

- Text vs HTML
  - 81% of emails are non-text (44% html, 21% AOL, multipart 16%)
  - HTML has higher CTR's vs text (11.2% vs 5.6%)
- 32% don't have privacy statements on their sites
- 58% using single or double opt in permissions; 22% use opt out only (Primedia Business Research Survey, 7/2003)
- Only 21% are renting email lists; list performance is declining



# Email Marketing - Investments

- Invest Time and Money:
  - Copy Editing (Great Subject Lines, headlines)
  - Eye-Moving Design (contrast, blocking, fonts)
  - List Testing
  - Tracking performance
- Don't Over Invest in:
  - Flashy Graphics
  - Personalization
  - Frequency



# Email Marketing – Tips

- Set campaign objectives (lifecycle, message/action)
- Segment your list
- Design offers that resonate
- Priority of importance: "From", Subject line, headline, landing page
- Above the fold bullseye (benefits, offer, call to action)
  - Lead the eye down the page
  - Think brief and "clickable"
  - Add your 800 #
- Polls, quizzes, and surveys increase CTRs

# **Email Marketing - Tips**

- Outsource list management
- Test lists
  - Use a reputable broker
  - CPM's, age of list, number of rentals, opt in conditions
- Pay based on delivery
- Optimal frequency and time of day
- Test, measure, test, measure, test
- Clean your list!
- The future: more filters (Outlook 2003, AOL 9.0)



## Online Promotions

- Online promotions: list builders
  - Sweeps versus contests
  - Sales promotions ("Special Offers")
  - Tie-in partner promotions
  - Viral incentives (clients)
- Themes
  - Sales cycle
  - Occasion driven initiatives
  - Seasonal or Anniversary "events"



# Online Promotions: Tips

- Best Practices
  - Define your objective
  - Prizes which resonate with consumer segments
  - Offline to online integration
- Get prepared
  - Contest rules posted
  - Cross sell using icons, newsletters, DM, banners
  - Landing page design
  - Marketing campaign: promote the promotion



## Case Studies: Women.com



March 26

Red Carpet Quiz with Sweeps: Tie

in with E! Entertainment

- E! Entertainment produced TV spots driving viewers to real-time quiz on Women.com that went live following the E! Entertainment Oscar's Red Carpet Pre-Show (Joan and Melissa Rivers)
- E! Online and Women.com jointly promoted quiz and sweeps (Hollywood makeover)
- 50% increase in HP traffic; 5k entrants; PR!



## **Seasonal Promotions**

### Mother's Day Dreams Sweeps

- Editorial: "A Celebration of Motherhood"
   Women.com celebrates every Mom married, single,
   working, stay at home, stepmoms, new moms, grandmas
- Promotion: "Make Your Mom's Dream Come True!"
  Benefit: Help your Mom balance the stress of home and work
- Give the biggest gift of all to mom:
   \$5,000 cash prize for the mother's choice of "dream"
- Published details on the site once mom chose how to spend winnings











# Case Study: Promoting the Promotion



**Contest:** 

Best Holiday Cookie Recipe

Grand Prize: Trip to the Culinary Institute of America



(seasonally relevant)



(prize which was of high interest to target audience; high value) 54

# Print Ads Drive Entry

San Francisco
 Chronicle-Examiner

10% of entrants

- Houston Chronicle
- San Antonio Express News
- Albany Times Union





As a website for women, we know that different women are interested in different things. If you are one of the women who likes to bake, then enter our Hot Cookie Contest. But, if you don't like baking, that's okay. We've got something for you too. So visit us at women.com. http://www.women.com/cookiecontest





## Cross-Sell Across Your Site

### Homepage





Travel I

Expert

on the road

Ask the Travel

to travel to Russia

· Prevention: Staying fit

In the news I How the abortion issue could affect Election Day



Are You Ready

Test vour knowledge or health care issues

Marie Claire: The uture first lady speaks

Sex & Romance I



Domestic Violence

Have you ever been a

### Clothes, Babies, Home,

#### Free: Sample

pantyhose from Silkies Bluefly: 100% cashmere wrap for only

500 051 20% off Halloween at Spenceraifts.com

#### First Jewelnc 20%-40% off select ieweln

Editors' picks: Halloween Fun

<u>Sweepstakes</u>

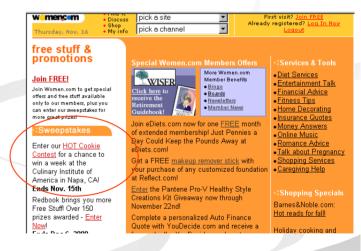
Enter our Cookie (2) Contest and win a trin to Nanal

### Free Stuff and **Promotions** Sections

### Sweepstakes

Enter our Cookie Contest and wina trip to Napa!





#### mempersnip menu

#### Member Benefits

Bookmarks Manager Chat & Schedule

Clubs

Community News Financial Services

Free Stuff

Interactive Business Plan

Message Boards

My.Women.com

Newsletter Central

Promotions & Sweepstakes

Recipe File

Weather Forecast Weddings Tools

My Membership

#### What's Happening This Week

Members, welcome back to Women.com! This is your place to access all of your free Women.com benefits, get help and hear about our latest membership offerings.

#### Promotions & Sweepstakes



Send a ScarePackage to your favorite ghost or goblin and receive FREE SHIPPING! Get into the holiday haunt today!

Receive a free umbrella when you create personalized Auto Finance Quote at YouDecide.com.

Submit your best cookie recipe for a chance to win a week at the Culinary Institute of America in Napa, CAI

### Members-only Offers

Customized



Newsletter Central: Sign Up for FREE Newsletters!

Redbook brings you more Free Stuff! Over 150 prizes awarded!

Are you a 20something? If so, enter to win a trip to San Francisco!

Free makeup rem

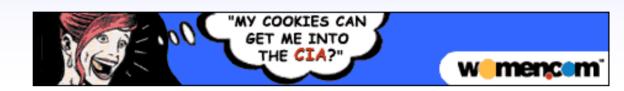
Membership Area

# **Email Marketing Calls to Action**



# Online Advertising to Expand Reach

### Off-site Banners:





### On site Banners:







## Viral Incentives

### Viral Marketing results:

- 38% of entrants referred another
  60% to the contest
- 44% of referrals clicked through







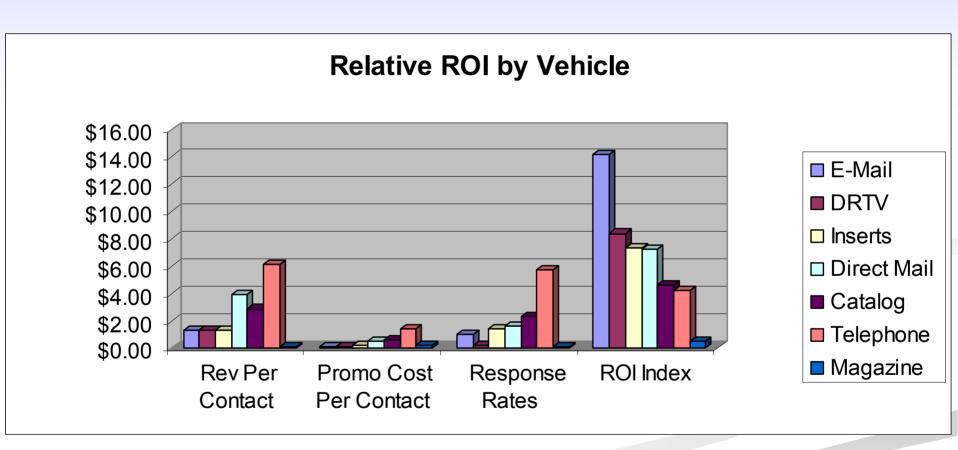
## ROI Measurement

44% of marketers don't currently measure the ROI of their promotions...but 70% plan to put on a higher priority
(DMA 2003 Promotions Trends Study)

- One of your first not one of your last steps
- What drives revenue and profit might be different than what drives traffic
- ROI is relative (to the operator, to the type of vehicle/campaign objective and varies over time)



# DMA 2003 Response Rate Study





## Metrics that Matter

- Inquiry rates...to conversion rates
- Media effectiveness (reach, frequency, duration)
- Offer response (Opens to click throughs)
- Creative effectiveness (recall, messaging tests)
- Cost per acquisition
- Total marketing cost per trip and per client





# is here to help!

- LeapUp areas of expertise:
  - **Competitor and Customer Market Research**
  - Messaging Strategies
  - ➤ Site Evaluations, Search Optimization
  - > Email Marketing & Online Promotions
- On-call advice... to project management
- Just an email away: <a href="mailto:annie@leapup.com">annie@leapup.com</a>
- **Call anytime! 415-563-6250**

